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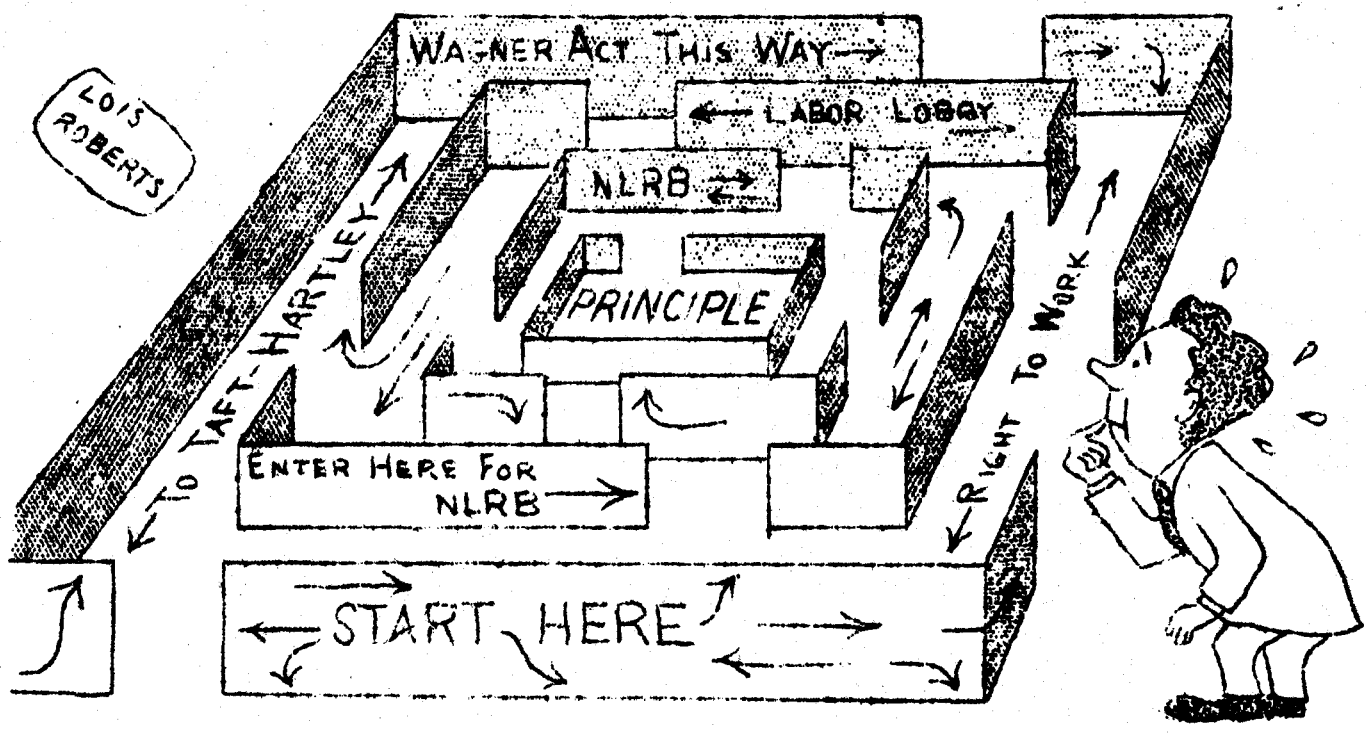
VIEWS



RIGHT TO WORK REVISITED

In the August 1965 issue of Persuasion, an article by Lois Roberts described the major pieces of labor legislation in the United States and suggested that they should all be repealed, including the controversial right to work laws which are currently the subject of so much discussion.

Persuasion has now received an extremely interesting letter from one of our readers, Mr. Dominick J. Lagattolla, which disagrees with this article. Since his letter represents a point of view which I think is widespread, this article is addressed directly to the points Mr. Lagattolla raises.

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Here, slightly cut in length, is his argument:

"In regard to the article entitled 'Labor Legislation: The Shop That Government Built,' in the August 1965 issue, I have a few comments to make about it.

". . . consider for a moment the following: 1. Labor organizations are tax-exempt. 2. The ultimate weapon of Labor is a strike, made legal by government legislation.

"The two conditions are enough to 'marry' organized Labor to government. Labor organizations are dependent upon government for power. Labor organizations are subsidized by the government because the taxes they should pay as profit-making organizations are not collected by government. What does government get in return from Labor organizations? Political support . . . organized Labor allows government to pass laws in their favor, thereby reducing organized Labor to the voice and expression of government officials. . . .

"But why repeal the Right to Work law, when the rest of government intervention laws remain on the books? Why take away from business the only loophole it has because of so much government regulation? The Right to Work law states, 'That an employer may not deny a worker employment on the basis of his membership or non-membership in a union.' If we wish to abolish this rule, we must also abolish unions, as they are today. If an employer does not have the choice to choose between union and non-union workers--today he must accept union workers. If this becomes the law, then the union will send to any given employer, any worker they want to, regardless if he is qualified or not. . . .

". . . It would be economic fascism. The employer owning the company and the union controlling it. . . .

"The author implies that either Management or organized Labor must pay for a worker's health insurance and retirement benefits. Isn't this a form of 'cradle to the grave' security? Does it matter who pays for it, as long as it's anyone but the worker, who should have the choice whether or not he wants insurance and benefits? Today, if Management pays for it, they do so by law and not by choice. If organized Labor pays for it--the worker is forced to pay for it. . . . A union is as rich as the money it collects from its members.

"The basic issue here is, forced savings--for whatever purpose one may desire. If a worker wants health insurance, let him buy it. If a worker wants retirement benefits, let him save for it. Social Security--Medicare--forced health insurance and forced retirement benefits all fall into the same category--forced savings.

"As long as organized Labor is dependent upon government for power, I am in favor of Right to Work laws. Eliminate government subsidization and pro-Labor legis-

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lation and I will agree to favor the abolishment of Right to Work laws."

There are two parts to our correspondent's argument--the contention that right to work laws should not be repealed because of the power of the unions and a subsidiary point which equates insurance benefits (if received from management or union) with forced savings. Let us consider the subsidiary point first, and then address ourselves to the main argument.

It is inaccurate to say that if management offers health insurance to its employees it is because it is legally forced to do so. Fringe benefits are one of the ways that management seeks to attract skilled employees, and many managements offer them to non-union members. Various insurance and pension plans are given on the executive level, for instance, where there is no legal requirement, direct or indirect, as there is no bargaining group representing these employees.

Certain forms of insurance and pension plans have become a part of the conditions of employment in the minds of many workers. This is not identical with government "cradle to the grave" security, precisely because, while it is true that as long as he is in a particular field a worker may have no choice other than to join the union, he can leave the field and his insurance plans behind him--in which case, he often can take over the premiums if he wishes.

When management offers benefits before the union makes an issue of them you cannot call it forced savings, as management can budget the money it intends to spend on labor however it wishes. One company will have a company cafeteria. Another gives out life insurance policies as well as turkeys at Thanksgiving. A third has a Christmas bonus. A fourth provides major medical insurance for its employees. Often the insurance, as well as the turkeys, is optional.

As a matter of fact, there is at times a certain rivalry between management and union as to who provides the avenue to certain benefits. One possible reason that the unions are going into the insurance-pension business (and they are also offering other special services, such as cut-rate drug plans) is to compete with management and keep the primary ties of the worker to the union, rather than to the employer.

The reason for the popularity of these services, and the reason why this area of insurance is available more and more through the intermediary services of union or company, rather than being something that the worker gets directly for himself, is at least a two-fold issue. First of all, one must not make the mistake of automatically being against whatever the government supports. It must not be forgotten that, even though the government endorses and pushes it, the concept of group insurance is a brilliant one which enables insurance premiums to be greatly reduced for the member of a large enough group.

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But one must also remember the tax laws. If a worker saves for his old age, or buys his own insurance, he not only pays for it himself, but he is taxed on the income he earned that is spent in this way--he gets no tax allowance. But if management, instead of paying him a higher salary, gives him some extras in the way of insurance, he is not taxed on this as part of his salary. (There have been suggestions in government circles that he should be.) Similarly, if part of his union dues is spent on him directly in the form of pension plans or group insurance, it also represents a saving to him, because although it is true that it is his union dues that paid for them, his union dues are tax deductible. Unions are private organizations that compete with each other, just as employers do, and for them to hold out inducements to prospective members is not forced savings.

But more important than the forced-savings issue is the main argument of Mr. Lagattolla's letter. This is the argument that the two conditions that 'marry' labor to government are the tax-exempt status of labor unions and the right to strike, which he contends is "made legal by government legislation." This position assumes that the right of an organization not to have its property confiscated by taxes and the right to strike (that is, for all the workers on a job to agree for the purpose of collective bargaining to walk off the job together) are special privileges granted by government. I would question both assumptions.

First of all, it can be very annoying to find some organizations taxed when similar organizations are not. It can seem "unfair" to the taxed ones. But that is like saying that it is unfair for the highway robber to steal from this person and to let another one ride past in peace. There is a crucial moral difference between a subsidy (a gift of money which has to have been produced by others) and an exemption from taxation (permission to keep one's own production).

It is the arbitrary power which the government has to tax whom and when and for what purpose it pleases that is unfair. Here we are touching on one of the problems of political theory which has never yet been fully solved. On the one hand, the ideal government would provide necessary services, and they would have to be paid for. But on the other hand, any means for raising necessary revenue should not be inconsistent with the concept of a government limited by individual rights, including property rights. In practice, the necessity of raising revenue has ultimately provided governments with an excuse to levy any taxes they pleased. However, to say that there is a problem which needs a practical solution is not to say that it cannot be solved. The fact that money is needed is no excuse for taking it, whether one is a highwayman or a government.

If there are any pockets of freedom left, they should be cherished and preserved by all who care about freedom. One cannot instead ask for a fair distribution of injustice. The answer to the inequity of present taxation policies is not to claim that those who are not exempt should be taxed--it is to insist that those who are now

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arbitrarily taxed should similarly be exempt. Otherwise, you are granting that the government has an unlimited right to decide what taxes it should levy and on whom.

Similarly, a strike would not be illegal in the absence of government legislation. If there were no government intervention into the economy, situations would still arise where strikes would be quite proper. Granted that specific legislation has greatly increased the effectiveness of a strike, by forbidding or limiting the hiring of "scab" labor, and other "unfair management practices." But the fact remains that, just as management must retain the right to hire and fire, so workers can threaten to quit as a group, under circumstances where quitting piecemeal would be totally ineffectual.

I would agree that there is an alliance of sorts between labor and government. But I think its nature depends on the fact that bureaucrats want votes, and recognize that voters will vote for what they think is to their self-interest, particularly when there is no clear identification of the principles involved. If you are on relief, and you want that relief check to continue, you are not going to vote for a candidate who will immediately abolish relief. Similarly, the union member who has been persuaded that certain laws, such as the Wagner Act, are in his favor is going to vote for the men who support it and agree with the philosophy that brought it into being, not for the candidate who criticizes it. Those in power who want to stay in power are very sensitive to pressure--and organized labor represents perhaps the largest group of voters with an identifiable special interest.

Let me make it clear that I am not agreeing with the contention that labor organizations are subsidized by the fact that they do not pay taxes. A subsidy is an outright grant or gift of money. Rather, unions are metaphorically subsidized by the fact that legislation is in their favor. In spite of this, organized labor is not "the voice and expression of government officials," as Mr. Lagattolla put it, mainly because union leaders are very aware of the fact that, while they may want management practices which they think adverse to their interests to be illegal, they do not want to be regulated themselves. Whenever government officials stray from an attempt to control management in the direction of an attempt to control unions, labor leaders are loud in protest.

Mr. Lagattolla points out that right to work laws are intended to guarantee that an employer may not "deny an employee employment" on the basis of his membership or non-membership in a union. Although the right to work laws are generally referred to as restrictions of the union shop (David Lawrence in his column in the New York Herald Tribune has referred to the projected repeal of Section 14B of the Taft-Hartley Act as "the compulsory unionization law"), Mr. Lagattolla is citing what is plainly a restriction of the choices that an employer may make. But I would challenge the concept, inherent in the very phrase "right to work," that the worker has a right to be employed which should not be denied.

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The shoe is on the other foot. The employer offers employment, and should have a right both to refuse to hire a union member and to insist on hiring one. The worker offers his labor. No one can rightly force either employer or worker to accept the other. The right of the worker to refuse to work for a specific employer may seem an empty one--until one considers that, unless a worker has it, he is a slave. The manager has no "right" to labor except by agreement. But the worker has no "right" to the job before agreement has been reached.

Those who are responsibly interested in seeing the economy decontrolled are usually extremely aware of the necessity for gradual decontrol, as controls are so interwoven into our economic life that a sudden cessation of many of them could entail extreme dislocations in the economy. But when one talks about the necessity for gradual decontrol, one is speaking of areas such as the farm program or social security, in which people have actually been required to become dependent on direct government subsidy; of "protected" industries supported by tariffs or price supports; or of areas such as the post office, the highways, the fire departments, and other legitimate businesses which have become government monopolies and which must be continued as functioning entities while in the process of being transferred to private ownership. But one doesn't have to be so careful in the abolition of regulation: that is, the requirement that economic activities meet any governmental standards other than the absence of fraud.

All regulation is bad. Any freedom is better. It is true, as Mr. Lagattolla points out, that the businessman is often in an almost desperate position, even though I would not characterize it as economic fascism. But the businessman's plight is not the entire point, although one can sympathize with those who find it hard to think otherwise. Nor is it quite the point to show that it is not the case that management has no prerogatives at all and that a great deal of the power which unions exercise is by default--management became timid or tired, and ceased to fight for its rights.

The real point involved is on another level. Advocates of capitalism and of a theory of government based strictly on the rights of man have recognized that principles are very important. If they are going ever to see their principles put into practice, they must recognize that they are more important than anything else. The only path out of the distressing practical situation which exists in the economy today is the path of principle. History is full of examples of people who were ardent fighters for their rights but not so quick to defend principle when the rights of others seemed to conflict with their immediate interests. If we wish to see a regulated society turned into a free society we must be willing to see those regulations which most benefit us disposed of first, not try to hang on to them to the last. Of course it will be a little harder for the industrialist when he is hobbled still and the union organizer is not. But our whole approach must be absolutely consistent in principle, even when the result of such consistency is to make things temporarily harder. This is what will make our advocacy of laissez-faire a philosophy of government-- otherwise it would be special pleading for a special group.

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To sum up--if one supports the idea that government power should be divided up "fairly" among various economic groups, we will never get a free economy. The government has no right to operate in the economy in any way, and the cure for any economic abuse which is supported by government power is not and cannot be for the government to intervene on the other side.

Would you, in the absence of a right to work law, propose one? Would you suggest that the antitrust laws be used against labor unions? Then you would not be advocating a laissez-faire society, for extension of government power is never a way to lessen it. If we are in principle against government intervention in the economy, we have to be against any government intervention in the economy. True, when the right to work laws are abolished, there will be an increase in the number of union shops around. But just as the Civil Rights Act was no cure for the segregation laws, so the right to work laws are no cure for the National Labor Relations Board. Repeal them both: don't keep them both.

--Joan Kennedy Taylor

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REVIEWS

A ROAD TO DICTATORSHIP

The Theory of the Leisure Class, by Thorstein Veblen (first published 1899, revised 1912), Modern Library, New York, 1931.

The Theory of the Leisure Class is Thorstein Veblen's first and most popular book. Published in 1899, it has today become one of those books that is frequently mentioned, often quoted and rarely read. It is part of the liberal academic tradition. Many of its ideas have become entwined in the liberal fabric of ideas and arguments to such a degree that their source has been forgotten. "Detached, bemused, . . . subtly contemptuous," according to John Kenneth Galbraith, Veblen "influenced a generation of scholars, writers, and teachers." To the first decades of this century he added his "iconoclasm." He was one more strong voice which saw to it "that the hard-headed intellectual was never beguiled by notions of reform or advance under capitalism." (All of the preceding quotations are from The Affluent Society by John Kenneth Galbraith, p. 55)

In later books, Veblen revealed in more detail the structure of what came to be called "institutional economics," an economics which Arthur Schlesinger, Jr., in The Crisis of the Old Order, credits with being "the" economics of the liberals in the twenties and early thirties. In these later books, Veblen attacked classical economics and proposed central economic planning. He went beyond liberalism in The Engineers and the Price System to advocate that the United States be ruled by a soviet of engineers and technicians which would abolish the price system. But his primary legacy was an attitude toward property, profits, wealth, and the consumption of goods.

It begins with The Theory of the Leisure Class. All of his thought can be traced back to foundations in this, to use Galbraith's term, "immortal" work. When reading it, one has the feeling that one has heard much of this before--and indeed one has. Or rather, one has heard echoes, in articles and movies and plays and books and arguments: in any place that one runs into the cliches of liberal economics. But they are not cliches here; for many of them, this is where they began. Have you heard the terms, "above subsistence level," "conspicuous consumption," and "leisure class" itself? Then you have come into contact with Veblen.

One of these cliches became so prevalent that it has entered the idiom of the language. It is the phrase "conspicuous consumption," which is now taken to mean the spending of money in such a manner as to impress others and for the purpose of impressing others. This roughly fits Veblen's original usage, but it does not hint at the profound meaning he attached to the idea. For him, "conspicuous consumption" is basic to human nature, something all men do and must do. There is a "human pre-

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clivity to ostentation." (p. 90) Why? If men cannot display some degree of "prowess or property," they "suffer in the esteem of their fellow-men; and consequently they suffer also in their own esteem, since the usual basis of self-respect is the respect accorded by one's neighbors." (p. 30)

According to Veblen, a great portion of man's economic production, virtually all that is in excess of "subsistence" is, in our society, aimed at "the acquisition and accumulation of goods . . . in order to stand well in the eyes of the community." (p. 30) Why? Because each man is constantly making what Veblen calls an "invidious comparison" between himself and others. In a modern industrial society such as ours this comparison is in terms of money. The goal is a reputation for possessing money and the things and opportunities and leisure that money buys, or in Veblen's words the goal is "pecuniary reputability."

Can a man ever attain this high regard in the eyes of others? According to Veblen, no. "Since the struggle is substantially a race for reputability on the basis of invidious comparison, no approach to a definitive attainment is possible." (p. 32) This unending race, spurred on by "invidious comparison" (a process Veblen describes as "a pervading trait of human nature" p. 109), requires that men inexorably engage in "conspicuous consumption" or "conspicuous leisure," which together comprise "conspicuous waste."

Veblen has his own definitions. The Oxford Universal Dictionary (3rd Edition, 1955) notes that the term "invidious" is derived from the Latin for ill will or envy. It is cited as meaning "envious, grudging, jealous." Veblen claims that his usage of "invidious" has no intention to "extol or deprecate, or to commend or deplore any of the phenomena which the word is used to characterize. The term is used in a technical sense. . . . An invidious comparison is a process of valuation of persons in respect of worth." (p. 34) In short, any judging of one man by another would be an invidious comparison.

"Conspicuous consumption" is a "waste of goods" and "conspicuous leisure" is "waste of time and effort." Leisure "does not connote indolence or quiescence. What it connotes is non-productive consumption of time." (p. 43)

Specifically, what is he referring to? Does he mean what many popularly suppose? That is, the mansions, galas, jewelry, debutante balls, yachts, big cars, and public displays of the rich? Yes, but by no means only these. He means virtually everything which is pleasureful or skillfully made, because in his estimation we consume all such activities or things in order to impress others.

Thus, carpets, drapery, lawns, upholstered furniture, decorative items, education in the humanities, religious observances, fashionable clothes, drunkenness, and much charity are all examples of total or nearly total conspicuous waste. Even "savings of the people living on farms and in small villages" can be added to the list

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because they are public knowledge--in rural areas "everybody's affairs, especially everybody's pecuniary status, are known to everybody else." (p. 39) Other examples include "the use of powdered wigs and of gold lace, and the practice of constantly shaving the face." (p. 186) And why do people value privacy? All this public conspicuous waste leaves them so poor "that the domestic life of most classes is relatively shabby . . . hence . . . the habit of privacy and reserve. . . ." (p. 112)

From these examples one can see that a great deal depends upon what he means by the term "waste." As in the case of "invidious," Veblen disclaims any tone of "deprecation" in using this fundamentally negative term. It "is not to be taken in an odious sense, as implying an illegitimate expenditure . . . it is here called 'waste' because this expenditure does not serve human life or human well-being on the whole, not because it is waste or misdirection of effort or expenditure as viewed from the standpoint of the individual consumer who chooses it." (pp. 97-98) But why should it be viewed from any other standpoint? "The test to which all expenditure must be brought . . . is . . . whether it serves directly to enhance human life on the whole---whether it furthers the life process taken impersonally." (p.99) This is required by human nature itself--and the fact that human nature operates that way is proved, among other things, by the fact that, although Veblen does not intend the term "waste" to be taken critically, still, in general usage, it is a critical term! Therefore, "in order to be at peace with himself the common man must be able to see in any and all human effort and human enjoyment an enhancement of life and well-being on the whole. In order to meet with unqualified approval, any economic fact must approve itself under the test of impersonal usefulness--usefulness as seen from the point of view of the generically human." (p.98)

But it would follow that, if the group is that important, we don't need to consider the individual any further, except as an appendage of the group. And so it is. "The individual is serviceable for the ends of the community somewhat in proportion to his efficiency in the productive employments. . . . This collective interest is best served by honesty, diligence, peacefulness, goodwill, an absence of self-seeking. . . ." (p. 227)

What is waste? From all the above we must conclude that it is anything a man does for himself as an individual. The collective to which all individuals are subordinate is the largest of them all--the species, the human race.

Just from what has been cited so far we can see that Veblen does not see man as capable of choice in any basic sense. Driven by a "proclivity to ostentation," he is pushed much of the time without his knowledge by "waste," which is a "pervading trait." For instance, the "canons of taste and decency" become "so ingrained into our habits of thought in matters of dress that any other than expensive apparel is instinctively odious to us." (p. 168)

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Since men waste "instinctively," that is, they waste because some automatic knowledge in them beyond their control pushes them into wasteful actions, how are they ever to know that these actions are in fact not of use to the "generically human"? Can a man both know and not know the same thing at the same time?

In Veblen's scheme of human nature he can. All Veblen needs to do is postulate another instinct. Man can sense when this waste occurs, this economic action that is "self-regarding" rather than "impersonally useful" to the community. He is able to do this because he possesses the "instinct of workmanship" which is "a force, alien and in some degree antagonistic, to the usage of conspicuous waste." (p. 93) However, this instinct can only temper conspicuous waste, not control or prevent it. "An article may be useful and wasteful both . . . consumable goods and even productive goods generally show the two elements in combination." (p. 100)

Was there ever a time when each man wasn't in almost all actions both "useful and wasteful," a time when he was not all but consumed by carrying on conspicuous waste, "probably the strongest and most alert and persistent of the economic motives"?

Veblen implies an affirmative answer to this question in his theory of the generic development of man. Man evolves not only biologically but socially. He is today moving inexorably toward some future society which will have its own standards of right and wrong, its own institutions. In the beginning, "the most primitive stages of associated life . . . seem to have been of a peaceable kind . . . the dominant spiritual feature of this presumptive initial phase of culture seems to have been an unreflecting, unformed sense of group solidarity." (p. 219) From this period, man gained his "instinct of race solidarity which we call conscience." (p. 221)

"In the sequence of cultural evolution the emergence of a leisure class coincides with the beginnings of ownership . . . individual ownership." (p. 22) Where there is private property there is "struggle"; society enters into a "predatory" phase in which property is "booty . . . of the successful raid." In fact, man either has or in this period circumstances form in him a "predatory instinct." This openly and violently predatory phase gives way to succeeding phases in which industry becomes progressively more organized, and property more institutionalized. "Under the modern, peaceable system, it is of course the peaceable range of predatory habits and aptitudes that is chiefly fostered by a life of acquisition. That is to say, the pecuniary employments give proficiency in the general line of practices comprised under fraud, rather than in those that belong under the more archaic method of forceable seizure." (p. 230)

What are some of these supposedly fraudulent employments? Those that "have to do with ownership--the immediate function of the leisure class proper." (p. 230) These include "subsidiary functions" such as "competitive industry . . . financiering . . . the 'captain of industry' . . . administration of industry . . . politics and ecclesiastical and military employments." (p. 230)

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Do not misunderstand. Even though Veblen calls ownership "parasitic" and the entire leisure class (including, among others, bankers, lawyers, and landowners) useless, Veblen is not leading up to a call for a revolution. Quite the contrary. The leisure class, the "captains of industry," has a role to play. They must shape the "industrial process" in order to set the stage for the next phase of social evolution. They are but pawns in the vast process of an ever-evolving society, a society in which the institution of property is subject to change when change is of benefit to "life as a whole," the biggest collective of them all.

But meanwhile, the captain of industry is necessary to create the industrial society, to create that which is then, by social evolution, to be collectivized. One assumes that we mustn't mess up the stages by hurrying this evolution with a revolution. "As fast as pecuniary transactions are reduced to routine the captain of industry can be dispensed with. This consummation, it is needless to say, lies yet in the indefinite future." (p. 211) All Veblen is saying is that we need the individual, wasteful, leisure class minds to create industrial revolution; which means, to create the modern world. But we won't need individual self-seeking minds to keep it all going. We can eliminate the creators and just live for each other without a thought for the whole vast, incredibly interrelated, constantly changing network of modern industry. It will all run automatically. So Veblen assumes.

Veblen said this in 1899. The future he foretold is much closer in 1965. There are implications under his quiet academic language, all-too-real implications to us who live on the other side of the butchery of the Russian revolution, of the genocide of German fascism, and of the general bloodletting that has gone on for the last fifty years as human beings of one sort or another have been "dispensed with" in the name of benefiting mankind.

For Veblen, "social evolution is a process of selective adaptation of temperament and habits of thought under the stress of the circumstances of associated life." (p. 213) The source of circumstances which provide the stress is "partly human, partly non-human," (p. 189) but Veblen puts by far the greater emphasis upon the human upon the social context of the group and its institutions as making up the evolutionary forces shaping man. For Darwin, "natural selection" meant that those species survived which best fitted the material environment. For Veblen, man as a consensus, living in a community, living the "associated life," is the environment which is the agency of "natural selection." He always speaks of the group as being the primal force, not of individuals living as individuals for and of themselves. It is man the collective, not man the individual, whom he credits when he says, "the progress which has been and is being made in human institutions and in human character may be set down, broadly, to a natural selection of the fittest habits of thought and to a process of enforced adaptation of individuals to an environment which has progressively changed with the growth of the community." (p. 188)

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This leaves us with a sober thought. There is nothing in Veblen's approach which prevents any gang with enough muscle from coming in and in effect saying that they are there to help social evolution along. If Veblen says "circumstances" enforce themselves, they will be the circumstances. If it is the "associated life" which decides, then they need but claim that they best represent it. And they have a right to see to the "enforced adaptation of individuals." It is only a step from Veblen to a rationalization that justifies the starvation of the Ukranian peasants, the slave labor camps of Siberia, the mass murders in Auschwitz, Buchenwald, and Dachau.

This is what the main content of this book finally comes down to--a philosophical justification for dictatorship.

There is another way of looking at a book, apart from its content. The other way of looking does not have to do so much with what as with how. Veblen's process of thought as revealed in this book deserves some comment because it is still too prevalent in politico-economic writing today, both liberal and conservative.

This entire book rests on a fallacy. It is a variant of the attempt to prove an argument by enumeration, by saying that since every instance I have cited of something is so and so, therefore everything of that kind must be that way. Veblen does this in a very subtle way. He does not actually enumerate; he gets his reader to enumerate for him. He points out that there are many persons using the evaluations of other men as their motive for what they buy and sell and believe. This is a fact; there are many such people. Any reader can and will almost automatically list examples of them to himself.

Thus, the more passive reader is ready to follow into the error when Veblen asserts that all men are so motivated. He simply asserts this, with no further explanation. The one place he admits that there are individuals who seem not to gain their self-respect from what others think of them, he says the following: "Only individuals with an aberrant temperament can in the long run retain their self-esteem in the face of the disesteem of their fellows. Apparent exceptions to the rule are met with, especially among people with strong religious convictions. But these apparent exceptions are scarcely real exceptions, since such persons commonly fall back on the putative approbation of some supernatural witness of their deed." (p. 30) He says nothing more about "aberrant" individuals.

This position leads him to a second fundamental error of reasoning in this book. Veblen goes to great lengths in describing certain supposed stages of human social evolution. To him the culmination of this evolution is industry. How did all those tools and machines and factories come to be? Veblen has to deal with them as virtually effects without causes. He never even attempts an answer to the question; he couldn't To do so, he would have to face the fact that some independent minds exist, for nothin

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new can come into being if all men can do is to emulate each other. Men sufficient unto themselves, creating in themselves their own self-respect independent of other men's opinion have to exist in order for there to be invention, innovation, and capital risk. Such men do exist; they don't go out of existence just because Veblen refuses to name them as the cause of the industry he wants the "impersonally useful" to take over. The nearest he comes to granting recognition to the fact that somebody created the Industrial Revolution is his statement that the "captains of industry are necessary for so long as it takes them to organize and set up the fully industrial society.

A variant of this error is his frequent assertion of a cause to explain an effect without demonstrating that in fact the cause and the effect (1) exist and (2) are connected. For instance, he asserts the existence of instincts to explain various things men do--and offers no further explanation. He asserts that acquired characteristics are inherited--and offers no evidence. He asserts that different ethnic types possess different inherited aptitudes--and hardly gives an example of what he means, let alone attempts to prove his racist assertions.

But one may ask, aren't his assumptions about the nature of man and of society reasonable hypotheses in the light of the scientific information he has amassed about the history of men and of institutions? But where did he get his "scientific facts"? Why, they are what everybody knows. In his preface he says, "The usage of citing sources and authorities has . . . not been observed." Why? Because "such premises and corroborative evidence . . . as well as theory or inference borrowed from ethnological science are . . . of the more familiar and accessible kind and should be readily traceable to their source by fairly well-read persons." It isn't often that a man writes out his resignation of responsibility.

So the Theory is presented, with neither logical proof nor empirical evidence to make it plausible. The final blow to scholarship is dealt by this supposedly professional scholar when he introduces and uses terms many pages before they are defined and then defines them virtually opposite to their common meaning. This is particularly the case with the key term "waste," used again and again in crucial passages in the early pages of the book, but not defined until page 97, where all of its common-sense meaning is piously disclaimed. The same is true of the term "invidious," which is defined a little earlier, on page 34, but only after extensive and important use.

As a side note, I cannot believe that the use of such negative terms in such a way is innocent. But, innocent or not, it is a grievous fault in this supposedly great liberal thinker.

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So we have one of the founding fathers of modern liberalism. What is his liberal vision of man?

He sees man as a helpless integer shaped by social evolution, sometimes helplessly crushed by it. A being whose only use is to the group, a being who to the degree he does serve himself is to that degree cosmically wasteful, because he has taken something away from man as a whole. He does not see man as choosing; he sees him driven by instincts inherited from his racial past, or imposed upon him by his social past, doing wasteful things without consciousness of what he is doing.

But he's progressing. To what is man progressing? Man today is primarily industrial; his future will be more and more industrial. That is, he will be a greater user of tools and machines to produce goods for the benefit of "generic "man. The future society will be one without ownership, without private property, without banks and lawyers and administrators or the class vaguely called "business."

How will man get there? By a social evolution imposed by circumstances. What circumstances do this imposing? Primarily the institutions of society, which is to say, the "habits of thought" of men. Which men? Not said directly, but the clear implication is, men who agree with Veblen. By what standard will they proceed? The benefit of man as a whole. And if the individual gets in the way?

"Such human material as does not lend itself to the methods of life imposed by the accepted scheme suffers more or less elimination as well as repression." (p. 212)

As someone said, if you are going to make an omelette, you have to break a few eggs.

--David J. Dawson

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